

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7184**

**BILL NUMBER:** HB 1133

**NOTE PREPARED:** Jan 31, 2013

**BILL AMENDED:**

**SUBJECT:** Use of Food and Beverage Taxes.

**FIRST AUTHOR:** Rep. Koch

**FIRST SPONSOR:**

**BILL STATUS:** 2<sup>nd</sup> Reading - 1<sup>st</sup> House

**FUNDS AFFECTED:**     **GENERAL**  
                              **X DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** This bill authorizes Nashville to use its Food and Beverage Taxes to finance, construct, improve, equip, operate, and maintain sidewalks and other streetscape improvements.

**Effective Date:** July 1, 2013.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** *Food and Beverage Tax Revenue* - This bill expands the allowable uses of Nashville Food and Beverage Tax revenue to include the construction, improvement, and maintenance of sidewalks and other streetscape improvements. Under current statute, this revenue may only be used for public parking and restroom facilities. The bill will not affect Nashville's total Food and Beverage Tax collections.

Nashville Food and Beverage Tax revenue is deposited in the town's Food and Beverage Tax Receipts Fund. Nashville currently levies the Food and Beverage Tax at a rate of 1% of the price received by merchants from sales of food and beverages. In FY 2012, Nashville collected about \$146,000 from the Food and Beverage Tax.

**State Agencies Affected:** Auditor of State, Department of State Revenue, Treasurer of State.

**Local Agencies Affected:** Town of Nashville, Nashville Clerk-Treasurer.

**Information Sources:** *Indiana Handbook of Taxes, Revenues, and Appropriations*, FY 2012.

**Fiscal Analyst:** Lauren Sewell, 232-9586.